

FILED
U.S. DISTRICT COURT

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH – CENTRAL DIVISION

2008 MAR 21 AM 10:21

DISTRICT OF UTAH

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

NOVUS TECHNOLOGIES, LLC, a Utah
limited liability company, RALPH W.
THOMPSON, JR., DUANE C. JOHNSON,
RCH2, LLC, a Utah limited liability
company, ROBERT CASE HALL AND
ERIC J. WHEELER,

Defendants,

And

U.S. VENTURES, LLC, a Utah limited
liability company, U.S. VENTURES
INTERNATIONAL, LLC, a Utah limited
liability company, ROBERT L.
HOLLOWAY, ONLINE STRATEGIES
GROUP, INC., a Delaware corporation, and
DAVID STORY,

Relief Defendants.

BY: DEPUTY CLERK

**ORDER ADOPTING REPORT
AND RECOMMENDATION**

Case No. 2:07-CV-235

Judge Dee Benson

Magistrate Judge Brooke C. Wells

Before the Court is the Report and Recommendation issued by Magistrate Judge Brooke C. Wells on March 4, 2008, recommending that Bruce S. Frank ("Frank") be found in civil contempt of the January 30, 2008 Order to Show Cause Why Bruce S. Frank, Esq. Should Not Be Required to Disgorge Funds of the Receivership Estate ("OSC")¹. Frank was notified by mail

¹See OSC, Docket No. 230.

of his right to file objections to the Report and Recommendation within ten (10) days after receiving it. Frank has not filed an objection to the Report and Recommendation.


The OSC ordered that Frank appear before the Court on February 28, 2008, and that he provide a full accounting of the \$100,000 paid to him by the Receiver. Furthermore, noncompliance would result in contempt of Court. Frank did not attend the hearing, nor has he filed any response or any accounting. Therefore, the Court, having reviewed all relevant materials, including the reasoning set forth in the Magistrate Judge's Report and Recommendation, ADOPTS the Report and Recommendation and finds that Frank has failed to show cause why he should not be found in civil contempt. Accordingly, the Court finds that:

1. Frank be found in civil contempt of the OSC.
2. Frank be incarcerated if fifteen (15) days after the entry of this order the Receiver files a certificate of noncompliance with the Court stating that Frank has failed to fully comply with the OSC by (a) responding to the OSC as required in ¶¶ 5-7 of the OSC, and (b) by arranging with the Receiver to personally appear at the office of the Receiver, 36 South State Street, Suite 1400, Salt Lake City, Utah within the 15-day period to be deposed under penalty of perjury.
3. From the date of the entry of this order, Frank will be fined \$500.00 for each day that he fails to comply with the OSC as set forth in ¶ 2 until the earlier of (a) the date he complies with the OSC, or (b) the date that he is incarcerated. Frank is prohibited from paying any fine from funds which he received from the Receiver, or any of the Defendants in this case and/or persons or entities that are related to this case.

4. The Receiver is entitled to reasonable fees and costs incurred in relation to the OSC motion and the OSC, which shall be established by filing with the Court an application for those fees and costs. The Court will then evaluate the reasonableness of the fees and costs and enter judgment accordingly.

IT IS SO ORDERED.

DATED this 19th day of March, 2008.


Dee Benson
United States District Judge